STEPTOE & JOHNSON LLP

ATTORNEYS AT LAW

Telephone 202.429.3000 Facsimile 202.429.3902 http://www.steptoe.com

1330 Connecticut Avenue, NW

Washington, D.C. 20036-1795

Richard O. Cunningham 202.429.6434

January 15, 2002

Via E-mail

Ms. Gloria Blue Executive Secretary TPSC, Office of the U.S. Trade Representative 600 17th Street, N.W. Washington, DC 20508

Re:

Steel, Inv. No. TA-201-073: Response to Comments on Presidential Action (Remedy) Under Section 203(a) of the Trade Act of 1974 -- Forging Quality Round Cornered Square Carbon Billets

Dear Ms. Blue:

Pursuant to the October 26, 2001 notice of the Office of the U.S. Trade Representative (USTR) (66 Fed. Reg. 54321) and the deadline extension announced by the USTR in these proceedings on December 28, 2001 (66 Fed. Reg. 67349), Corus hereby submits its response to comments submitted by other parties on January 4, 2002, regarding Forging Quality Round Cornered Square Carbon Billets. Corus has previously submitted exclusion requests both to the Trade Policy Staff Committee (TPSC) and the International Trade Commission (ITC) regarding these billets that were misclassified as slabs. Forging Quality Round Cornered Square Billets are imported under an HTS number that applies to narrow slabs and to billets. Corus proffers that the USTR and the ITC improperly classified the HTS number as a slab number, and thus either the entire number should be moved to the billets category or the billets that enter the United

Ms. Gloria Blue Executive Secretary TPSC, Office of the U.S. Trade Representative January 14, 2002 Page 2

States under this HTS number should be excluded from any relief.¹ On January 4, 2002, the Minimill Coalition (Long Products) provided comments on this exclusion request in their Comments on Presidential Action (Remedy). Nothing in the Minimill Coalition's comments calls into question the appropriateness of Corus' exclusion request.

The Minimill Coalition did not dispute the fact that the HTS number for these billets was improperly characterized as a slab product nor did they assert that billets, after a no-injury determination by the ITC, should be included in the remedy. The Coalition even stated that "semifinished flat products were seriously injured, while semifinished long products were not." Minimill Coalition Comments at p. 32. Forging Quality Round Cornered Square Carbon Billets are semifinished long products regardless of their HTS number and classification. They do not compete with flat products. As such, they should be exempt from any trade restrictions.

The Minimill Coalition's argument that the ITC treated this product as a slab is irrelevant. Minimill Coalition Comments at p. 32. The President has the authority to re-evaluate the relief recommended for each product. In fact, to the extent that non-slab items were included in the ITC's injury determination, the Minimills' argument at best calls into some question the validity of the ITC's slab decision.

¹ In other words, the TPSC should find that the proper description of the product, and not the HTS number under which it enters the United States, determines whether the product falls within a grouping that the ITC found to be non-injurious (in this case billets), and thus is exempt from import restrictions.

Ms. Gloria Blue Executive Secretary TPSC, Office of the U.S. Trade Representative January 14, 2002 Page 3

Corus' other arguments regarding Forging Quality Round Cornered Square Billets in briefs to the ITC dated November 14, 2001, and to the USTR dated November 13, 2001, and January 4, 2002, are hereby included by reference. No new factual information that was not before the ITC has been submitted to the TPSC with regard to this product.

Respectfully submitted,

Richard O. Cunningham

Tina Potuto Kimble Kathleen M. Graber

Counsel for Corus Group plc.

Dichard O. Curring Mine TPK